

RECORDATION NO. 19814-B  
DEC 4 - '97 1-23 PM  
FILED

✓  
ALVORD AND ALVORD  
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SUITE 200  
WASHINGTON, D.C.

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20006-2973

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OF COUNSEL  
URBAN A. LESTER

*Got.*  
December 4, 1997

*County*  
Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of an Assignment and Assumption Agreement, dated as of November 19, 1997, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Equipment Lease, previously filed with the Commission under Recordation Number 19814.

The names and addresses of the parties to the enclosed document are:

Seller: First Security Leasing Company  
381 East Broadway, 2<sup>nd</sup> Floor  
Salt Lake City, Utah 84111

Buyer: Pacific Century Leasing, Inc.  
1850 North Central Avenue, Suite 400  
Phoenix, Arizona 85004

A description of the railroad equipment covered by the enclosed document is:

fifty (50) round sided grain cars bearing KRIX reporting mark and road numbers 59001 through 59050, inclusive.

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
DEC 4 1 23 PM '97

Mr. Vernon A. Williams  
December 4, 1997  
Page 2

Also enclosed is a check in the amount of \$24.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/bg  
Enclosures

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D. C. 20423-0001

OFFICE OF THE SECRETARY

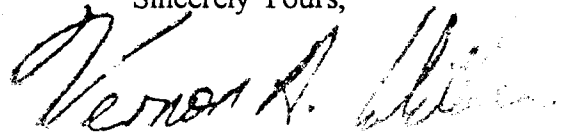
Robert W. Alvord  
Alvord and Alvord  
918 Sixteenth Street, NW., Ste. 200  
Washington, DC., 20006-2973

DATE: 12/4/97

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301  
and 49 CFR 1177.3 (c), on 12/4/97 at 1:23PM, and  
assigned recordation number(s). 19814-B.

Sincerely Yours,

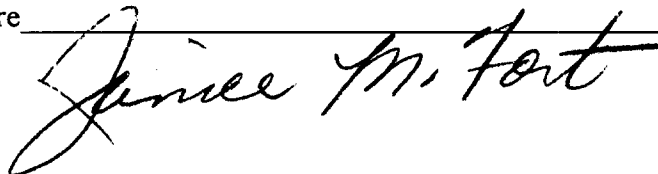


Vernon A. Williams  
Secretary

Enclosure(s)

\$ 24.00 The amount indicated at the left has been received in payment of a fee in  
connection with a document filed on the date shown. This receipt is issued for the amount paid.  
In the event of an error or any questions concerning this fee, you will receive a notification after  
the Surface Transportation Board has an opportunity to examine your document.

Signature



DEC 4 - '97

1-23 PM

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

This ASSIGNMENT AND ASSUMPTION AGREEMENT, dated as of November 19, 1997 (this "Agreement"), is between First Security Leasing Company, a Utah corporation (the "Seller"), and Pacific Century Leasing, Inc., a Hawaii corporation (the "Buyer").

**WITNESSETH:**

WHEREAS, the Buyer and the Seller have entered into that certain Purchase Agreement, dated as of November 19, 1997 (the "Purchase Agreement"), providing for the purchase of the Ownership Interest by the Buyer from the Seller, subject to the terms and conditions set forth therein; and

WHEREAS, the Purchase Agreement contemplates the execution and delivery of this Agreement by the Seller and the Buyer to effect such purchase.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows.

1. **Definitions.** Capitalized terms used herein without definition shall have the meanings assigned to them in Section 6 below.

2. **Assignment.** The Seller hereby sells to the Buyer all of the Seller's rights, title and interest in and to the Ownership Interest and assigns and delegates to the Buyer all of the Seller's rights and obligations under the Operative Agreements and with respect to the Ownership Interest (except for the "Prior Claims" as defined in the Purchase Agreement).

3. **Acceptance of Assignment; Assumption of Obligations; Effect of Assignment.** The Buyer hereby accepts the assignment contained in Section 2 hereof and, on and after the Closing Date, assumes all obligations of the Seller under, and agrees to be bound to the same extent as the Seller by all the terms of, the Operative Agreements and with respect to the Ownership Interest, except as otherwise provided herein or in the Purchase Agreement. The Buyer shall be deemed to stand in the place of the Seller for all purposes under the Operative Agreements and each reference in the Operative Agreements to the Seller shall, on and after the Closing Date, be deemed to mean the Buyer. The Seller, on and after the Closing Date, is released of all obligations of the Seller under the Operative Agreements and with respect to the Ownership Interest, except for those representations and

warranties which expressly survive any termination of the Operative Agreements. The Buyer does not assume, and shall not be responsible for, any obligation or liability (i) which arose or may arise from or be related to any event or circumstance occurring or in existence at or prior to the Closing, or (ii) arising from or related to any breach by the Seller of any of its obligations under any Operative Agreement.

4. Representations and Warranties of the Seller. The Seller hereby restates and affirms the representations and warranties set forth in the Purchase Agreement.

5. Representations and Warranties of the Buyer. The Buyer hereby restates and affirms the representations and warranties set forth in the Purchase Agreement.

6. Definitions. Except as otherwise specified or as the context may otherwise require, the following terms have the respective meanings set forth below whenever used in this Agreement (terms defined in the singular to have a correlative meaning when used in the plural and vice versa).

Closing: the closing on the Closing Date of the transaction contemplated by this Agreement.

Closing Date: the date of this Agreement.

Equipment: the "Equipment" described in Exhibit A hereto.

Lessees: Kyle Railroad Company.

Operative Agreements: the agreements listed and described in Exhibit A hereto.

Ownership Interest: the Seller's rights, title, interest and obligations with respect to the Operative Agreements and the Equipment.

7. Amendments. No provision of this Agreement may be amended, modified or waived except by written agreement duly executed by each of the parties hereto.

8. Notices. All notices, requests or other communications to or upon any party hereto in connection herewith shall be given in the manner prescribed by Section 10.5 of the Purchase Agreement.

9. Headings. The section headings used in this Agreement are for convenience of reference only and shall not be used or construed to define, interpret, expand or limit any provision hereof.

10. Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

11. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the internal, substantive laws of the State of Utah without giving effect to the conflict of law rules thereof.


12. Entire Agreement. This Agreement and the Purchase Agreement (together with Exhibits and Schedules hereto and thereto) represent the entire agreement of the parties hereto with respect to the subject matter hereof and supersede and cancel any prior oral or written agreement, letter of intent or understanding with respect to such subject matter. If there is a contradiction between the Purchase Agreement and this Agreement, the terms of the Purchase Agreement shall govern.

13. Recordation. The Seller and the Buyer agree to record this Agreement with the Surface Transportation Board to evidence the assignment by the Seller to the Buyer of the Seller's rights and obligations under the Operative Agreements and with respect to the Ownership Interest.


[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]


IN WITNESS WHEREOF, this Assignment and Assumption Agreement has been duly executed by the parties hereto as of the date first above written.

FIRST SECURITY LEASING COMPANY

By:   
Name: Mark Carpenter  
Title: Sen. Vice President

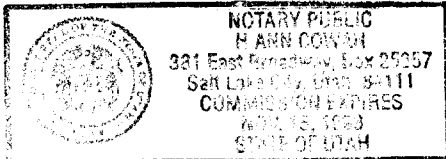
PACIFIC CENTURY LEASING, INC.

By:   
Name: Ken D. Oishi  
Title: V.P.

By:   
Name: JEFFREY L. SCHIPPLECK  
Title: Asst. V.P.

STATE OF UTAH )  
 : ss.  
COUNTY OF SALT LAKE )

The foregoing instrument was subscribed and sworn to before me a notary public on the 25 day of November, 1997 by <sup>Mark J.</sup>Carpenter known to me to be the Sr. V.P. of First Security Leasing Company who duly acknowledged to me that he/she executed the foregoing on behalf of First Security Leasing Company.



M. Ann Cowan  
Notary Public  
Residing at: Salt Lake City, Ut

My Commission Expires:

November 15, 1998

STATE OF \_\_\_\_\_ )  
 : ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was subscribed and sworn to before me a notary public on the \_\_\_\_ day of November, 1997 by Jeffrey Schuppleck and Ken Orsini known to me to be the Asst Vice President and Vice President of Pacific Century Leasing, Inc. who duly acknowledged to me that they executed the foregoing on behalf of Pacific Century Leasing, Inc.



Tamala Van Du Horn  
Notary Public  
Residing at:

My Commission Expires:

Oct 24, 99

**EXHIBIT A**  
**TO ASSIGNMENT AND ASSUMPTION AGREEMENT**

1. Master Equipment Lease Agreement, dated as of December 15, 1995, between First Security Leasing Company and Kyle Railroad Company
2. Lease Schedule to Master Equipment Lease Agreement No. 1, dated as of December 15, 1995, between First Security Leasing Company and Kyle Railroad Company with respect to Fifty (50) newly manufactured 5161 cubic feet round sided grain cars manufactured by Trinity Industries, Inc. bearing road Numbers KRIX 59001 through 59050, inclusive (the "Equipment")
3. Memorandum of Equipment Lease with respect to the Lease was recorded with the Interstate Commerce Commission on December 19, 1995 as recordation number 19814
4. Continuing and Unconditional Guaranty, dated December 15, 1995, executed by Kyle Railways, Inc.
5. Assignment, dated December 21, 1995, executed by Kyle Railways, Inc. (assigning rights under their purchase agreement for the Equipment with Trinity Industries, Inc.
6. Bill of Sale covering the Equipment, dated December 18, 1995, executed by Trinity Industries, Inc.
7. Consent and Agreement, dated December 21, 1995, with respect to the assignment of the purchase contract, executed by Trinity Industries, Inc.
8. Letter agreement dated January 9, 1997, by First Security Leasing Company
9. Opinion letter from counsel to Kyle Railroad Company
10. Certification signed by Kyle Railroad Company